

## **REMARKS**

### **A. Status of Claims**

Claims 35 – 42, and 51 – 66 are pending in the application. Claims 43 – 50 have been cancelled. Claims 35, 51 and 59 are amended herein. No new matter has been added.

### **B. Summary Of Office Action**

The Examiner has rejected claims 35 – 66 under 35 U.S.C. 101 as being directed to non-statutory subject matter. The Examiner has further rejected the claims under 35 U.S.C. 103(a) as being unpatentable over The Fundamentals of Asset-Backed Commercial Paper, Bate et al., Moody's Investors Service, 2/3/2003 ("Moody's"), in view of Fitch IBCA Rates Secured Money Market Notes Backed by CMBS, Business Editors, Business Wire, New York, July 9, 1999 ("Fitch") and other references.

### **C. Response**

#### **1. Rejection under 35 U.S.C. 101**

The Examiner has rejected the claims as being directed to non-statutory subject matter, stating that the claim is directed to issuance or holding a money market note, which is a contract and therefore an abstract idea.

Independent claims 35, 51 and 59 have been amended to recite providing liquidity as a step in the claimed process. Thus, a practical application (i.e., providing liquidity) is provided and the claims are patentable subject matter under 35 U.S.C. 101.

#### **2. Rejection under 35 U.S.C. 103**

Independent claims 35, 51 and 59 (claim 43 being cancelled) have been rejected as being

obvious in view of Moody's in view of Fitch. As acknowledged by the Examiner, Moody's discloses the general notion of providing liquidity to financial transactions (e.g., bank liquidity backup facilities, and alternatives to the same). Moody's does not disclose a money market note and a term note having a same credit risk rating and, upon receiving a payment, crediting the principal of the money market note if the principal of the money market note is not fully credited and crediting the payment to principal of the term note if the principal of the money market note is fully credited.

While the Examiner states that Fitch makes up for these deficiencies in Moody's, the Applicants respectfully disagree. Fitch discloses one set of notes (i.e., secured money market notes) secured by another set of notes (i.e., commercial asset structured notes). In particular, Fitch discloses an asset (i.e., the commercial asset structured notes) securing a liability (i.e., the money market notes). In contrast, the claimed invention recites two liabilities (i.e., the term note and the money market note). As claimed, these liabilities have equal standing (i.e., the same credit risk rating) but, as a result of the claimed method, one is forcibly subordinated to the other, thereby transferring risk away from the money market note. Fitch describes a pass through structure, wherein the underlying risk is not changing.

For at least these reasons, the claimed invention is not disclosed in Moody's, Fitch, or any combination thereof.

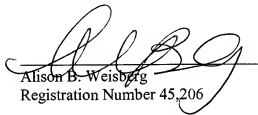
Because independent claims 35, 51 and 59 are patentable, the claims which depend therefrom are likewise patentable for at least the foregoing reasons.

### CONCLUSION

In view of the foregoing, it is respectfully submitted that the pending claims are in condition for allowance. Applicants respectfully request reconsideration of the claims and the timely allowance thereof. Please charge any fees due in connection with this filing to our Deposit Account No. 50-0310. The Examiner is invited to contact the undersigned at 215-963-5091 to discuss any matter concerning this application.

Respectfully submitted,

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